

Bernalillo Tax Preparer Under Investigation For Falsely Claiming Clients Were Blind or Elderly

SANTA FE – State Taxation & Revenue Department agents on Tuesday seized computers and documents from a Bernalillo tax preparer who is accused of falsely claiming her clients were blind or over the age of 65 on their New Mexico personal income tax returns in order to receive more money in tax refunds.

Blanca Reyes, doing business as La Senora de los Taxes, also known as The Tax Lady, located at 845 South Hill Road in Bernalillo, has not been arrested or charged with any crime.

"We want to warn and caution both tax preparers and their clients that they will be held liable for any tax returns that have been submitted incorrectly," said Demesia Padilla, Secretary for the New Mexico Taxation and Revenue Department. "The consequences are clear - tax preparers are subject to both civil and criminal penalties and their clients will be liable to pay back any outstanding taxes owed to the state.

"Taxpayers are ultimately responsible for their tax returns. Once you sign your tax return, you're taking full responsibility for the contents in that return," Padilla said. "Refunds as a result of inaccurate tax returns take money from the State Treasury that could be used for education, law enforcement and other critical needs."

As of March 7, 2011, Reyes has claimed the "65 or over or blind" exemption on 244 of the 256 New Mexico income tax returns that she has filed on behalf of her clients for 2010, according to the affidavit for search warrant. Tax fraud agents interviewed several of Reyes' clients and all stated that they were neither blind nor over the age of 65. In fact, many clients were in their early to mid-20s.

Reyes is also suspected of not reporting her business income on her tax returns from 2006 through 2010, according to the search warrant affidavit. Reyes has provided tax preparation services for both federal and state filings for clients throughout New Mexico since at least 2006.

This case is being investigated by the Tax Fraud Investigation Division of the Taxation & Revenue Department. To report tax fraud, individuals can call the Tax Fraud Hotline at 1-866-457-6789.